

**BERJAYA ASSETS BERHAD**  
**(COMPANY NO: 3907-W)**

**UNAUDITED INTERIM FINANCIAL REPORT**  
**FOR THE QUARTER ENDED 30 SEPTEMBER 2013**

<u>Table of Contents</u>	Page
Condensed Consolidated Statement of Financial Position	1 - 2
Condensed Consolidated Statement of Profit or Loss	3
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	4
Condensed Consolidated Statement of Changes in Equity	5
Condensed Consolidated Statement of Cash Flows	6
Notes to the Unaudited Interim Financial Report	7 - 10
Additional Information Required by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad	11 - 14

**BERJAYA ASSETS BERHAD**

(COMPANY NO : 3907-W)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 30 SEPTEMBER 2013  
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>Group</b>	
	<b>As at 30/09/13</b>	<b>As at 30/06/13</b>
	<b>RM'000</b>	<b>(Audited) RM'000</b>
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	301,144	304,644
Investment properties	2,107,953	2,108,636
Land held for deveopment	26,278	-
Associated company	1,860	-
Jointly controlled entities	4,949	5,543
Investments	122,088	122,903
Derivative asset	63	71
Deferred tax assets	16,978	16,978
Intangible assets	157,928	158,204
	<u>2,739,241</u>	<u>2,716,979</u>
<b>CURRENT ASSETS</b>		
Inventories	197,343	198,562
Receivables	23,037	23,475
Tax recoverable	370	706
Deposits with licensed banks	64,570	53,902
Cash and bank balances	15,084	15,975
	<u>300,404</u>	<u>292,620</u>
<b>TOTAL ASSETS</b>	<u><u>3,039,645</u></u>	<u><u>3,009,599</u></u>
<b>EQUITY</b>		
Share capital	1,113,042	1,113,042
Share premium	258,985	258,985
Reserves :		
Foreign currency translation reserve	(6)	(45)
Available-for-sale ("AFS") reserve	49,089	48,901
Retained earnings	806,226	789,229
	<u>855,309</u>	<u>838,085</u>
Equity attributable to equity holders of the parent	2,227,336	2,210,112
Non-controlling interests	4,322	3,841
<b>Total equity</b>	<u><u>2,231,658</u></u>	<u><u>2,213,953</u></u>
<b>NON-CURRENT LIABILITIES</b>		
Long term bank borrowings	305,875	316,286
Senior bonds	158,342	158,266
Other long term liabilities	88,542	90,347
Deferred tax liabilities	15,935	15,978
	<u>568,694</u>	<u>580,877</u>

**BERJAYA ASSETS BERHAD**

(COMPANY NO : 3907-W)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 30 SEPTEMBER 2013  
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D)**

	<u>Group</u>	
	As at 30/09/13	As at 30/06/13
	RM'000	(Audited) RM'000
<b>CURRENT LIABILITIES</b>		
Payables	168,186	146,366
Short term bank borrowings	51,385	48,365
Hire purchase liabilities	-	222
Tax payable	19,722	19,816
	<u>239,293</u>	<u>214,769</u>
<b>Total liabilities</b>	<u>807,987</u>	<u>795,646</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>3,039,645</u>	<u>3,009,599</u>
<i>Net assets per share attributable to ordinary equity holders of the parent (sen)</i>	200	199

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 June 2013.

**BERJAYA ASSETS BERHAD**  
(COMPANY NO : 3907-W)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 30 SEPTEMBER 2013  
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

	Note	<b>CURRENT QUARTER ENDED</b>	
		<b>30/09/13 RM'000</b>	<b>30/09/12 RM'000</b>
Revenue		100,738	81,009
Operating expenses		(72,239)	(61,148)
Profit from operations		28,499	19,861
Other income	A4	2,367	13,145
Other expenses	A4	(276)	(963)
Share of results from jointly controlled entities		219	108
Finance costs		(9,744)	(6,216)
Profit before tax		21,065	25,935
Income tax expense	B5	(2,363)	(1,690)
Profit net of tax		18,702	24,245
Attributable to:			
- Equity holders of the Parent		16,997	22,853
- Non-controlling interests		1,705	1,392
		18,702	24,245
Earnings per share (sen):			
Basic	B10	1.53	2.05
Diluted	B10	N/A	N/A

N/A denotes Not Applicable

The Condensed Consolidated Statement Of Profit or Loss should be read in conjunction with the audited financial statements for the year ended 30 June 2013.

**BERJAYA ASSETS BERHAD**  
(COMPANY NO: 3907-W)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 30 SEPTEMBER 2013  
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME**

	<b>CURRENT QUARTER ENDED</b>	
	<b>30/09/13 RM'000</b>	<b>30/09/12 RM'000</b>
Profit net of tax	18,702	24,245
<u>Other comprehensive income</u>		
Gain/(loss) on changes in fair value of available-for-sale investments	188	(18,105)
Currency translation difference	39	1
Total comprehensive income for the quarter	<u>18,929</u>	<u>6,141</u>
Attributable to:		
- Equity holders of the Parent	17,224	4,749
- Non-controlling interests	1,705	1,392
	<u>18,929</u>	<u>6,141</u>

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 June 2013.

**BERJAYA ASSETS BERHAD**  
(COMPANY NO : 3907-W)

**UNAUDITED INTERIM FINANCIAL REPORT**  
**FOR THE QUARTER ENDED 30 SEPTEMBER 2013**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

<----- Attributable to the equity holders of the Parent ----->

	<----- Non - distributable ----->				Distributable		Non- controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	AFS Reserve RM'000	Foreign Currency Translation Reserve RM'000	Retained Earnings RM'000	Equity Funds RM'000		
At 1 July 2013	1,113,042	258,985	48,901	(45)	789,229	2,210,112	3,841	2,213,953
Total comprehensive income	-	-	188	39	16,997	17,224	1,705	18,929
Transactions with owners:								
Non-controlling interests share of dividend	-	-	-	-	-	-	(1,750)	(1,750)
Non-controlling interests arising from additional subscription of shares in subsidiary companies	-	-	-	-	-	-	526	526
At 30 September 2013	<u>1,113,042</u>	<u>258,985</u>	<u>49,089</u>	<u>(6)</u>	<u>806,226</u>	<u>2,227,336</u>	<u>4,322</u>	<u>2,231,658</u>
At 1 July 2012	1,113,042	258,985	50,180	2	497,144	1,919,353	3,647	1,923,000
Total comprehensive income	-	-	(18,105)	1	22,853	4,749	1,392	6,141
Transaction with owners:								
Non-controlling interests share of dividend	-	-	-	-	-	-	(3,324)	(3,324)
At 30 September 2012	<u>1,113,042</u>	<u>258,985</u>	<u>32,075</u>	<u>3</u>	<u>519,997</u>	<u>1,924,102</u>	<u>1,715</u>	<u>1,925,817</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 30 June 2013.

**BERJAYA ASSETS BERHAD**  
(COMPANY NO : 3907-W)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 30 SEPTEMBER 2013  
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>CURRENT QUARTER</b>	
	<b>ENDED</b>	
	<b>30/09/13</b>	<b>30/09/12</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from operations	103,444	100,311
Payments for operating expenses (including taxes)	(76,879)	(88,298)
Other payments	(527)	(278)
Net cash generated from operating activities	<u>26,038</u>	<u>11,735</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Sales of properties	4,988	25,982
Acquisition of plant and machinery	(391)	(425)
Acquisition of properties	(26,278)	(28,914)
Acquisition of equity interest in an associated company	(1,860)	-
Interest received	596	271
Dividend received	938	245
Other receipts	22,252	13,500
Net cash generated from investing activities	<u>245</u>	<u>10,659</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Issuance of share capital to non-controlling interests	526	-
Repayment of borrowings and loans	(8,805)	(12,487)
Dividend paid to non-controlling interests of a subsidiary company	(1,750)	(3,324)
Interest paid	(6,011)	(3,754)
Other payments	(538)	(789)
Net cash used in financing activities	<u>(16,578)</u>	<u>(20,354)</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>9,705</b>	<b>2,040</b>
<b>EFFECTS OF EXCHANGE RATE CHANGES</b>	<b>12</b>	<b>-</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<b>62,524</b>	<b>37,972</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b><u>72,241</u></b>	<b><u>40,012</u></b>
<b>The closing cash and cash equivalents comprise the following:</b>		
Deposits with licensed banks	64,570	41,746
Cash and bank balances	15,084	5,904
Bank overdrafts	(7,413)	(7,638)
	<u>72,241</u>	<u>40,012</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 30 June 2013.

**NOTES:**

A1 The interim financial report is not audited and has been prepared in compliance with Malaysian Financial Reporting Standards (MFRS) 134 - Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Company for the year ended 30 June 2013, which were prepared under Malaysian Financial Report Standards. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions which are significant for understanding the changes in the financial position and performance of the Company since the year ended 30 June 2013.

The accounting policies and methods of computations used in the preparation of the financial statements are consistent with those adopted in the audited financial statements for the year ended 30 June 2013.

The Group has not early adopted new or revised standards and amendments to standards that have been issued but not yet effective for the accounting period beginning 1 July 2013.

The initial application of the MFRSs, Amendments to MFRSs and IC Interpretations, which will be applied prospectively or which requires extended disclosures, is not expected to have any significant financial impact to the financial statements of the Group upon their first adoption.

A2 The audit report of the Company's most recent annual audited financial statements did not contain any qualification.

A3 Our principal business operations are not significantly affected by any seasonal or cyclical factors except for the gaming and recreation businesses that may be favourably impacted by the festive and school holiday seasons respectively.

A4 a) There were no other unusual items as a result of their nature, size or incidence that had affected the financial statements for the financial quarter ended 30 September 2013 except for the following:

	Current Quarter ended 30/09/13 RM'000
Amortisation of intangible assets	(276)
Gain on disposal of investment properties	1,878
	1,602

**NOTES (CONTINUED)**

- A4 b) There were no material changes in estimates of amounts reported in the current financial quarter ended 30 September 2013.
- A5 There were no issuance and repayment of debts and equity securities, share buy-back, share cancellation, shares held as treasury shares and resale of treasury shares for the financial quarter ended 30 September 2013. In addition, none of the outstanding 415,982,348 Warrants 2008/2018 were exercised in the financial quarter ended 30 September 2013.
- A6 The Company did not pay any dividend in the financial quarter ended 30 September 2013.
- A7 Segmental information for the financial quarter ended 30 September 2013:

	External RM '000	Inter - segment RM '000	Total RM '000
<u>REVENUE</u>			
Property development and investment	29,581	-	29,581
Gaming and related activities	55,580	1,058	56,638
Hotel and related activities	12,397	-	12,397
Recreation	3,180	-	3,180
Elimination : Intersegment revenue	-	(1,058)	(1,058)
Total revenue	100,738	-	100,738

<u>RESULTS</u>	RM '000
Property development and investment	19,570
Gaming and related activities	7,588
Hotel and related activities	3,259
Recreation	(1,380)
	29,037
Unallocated corporate expenses	(538)
Profit from operations	28,499
Other income	
- property development and investment	2,265
- gaming and related activities	41
- hotel and related activities	25
- recreation	13
- unallocated	23
	2,367
Profit from operations carried forward	30,866

**NOTES (CONTINUED)**

A7 Segmental information for the financial quarter ended 30 September 2013 (Contd):

	RM '000
Profit from operations brought forward	30,866
Other expenses	
- gaming and related activities	(276)
	30,590
Share of results after tax from jointly controlled entities	219
Finance costs	(9,744)
Profit before tax	21,065
Income tax expense	(2,363)
Profit for the period	18,702

A8 The valuation of land and buildings have been brought forward without amendment from the previous annual report.

A9 There were no material events subsequent to the end of this current quarter that have not been reflected in the financial statements for this current financial quarter.

A10 There were no material changes in the composition of the Group for the financial quarter ended 30 September 2013 including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations except for:

- a) the acquisition of 30% equity interest comprising 30,000 ordinary shares of RM1.00 each in Avant City Sdn Bhd ("ACSB") for a total cash consideration of RM30,000 and the subscription of 1,830 redeemable preference shares of RM0.01 nominal value in ACSB ("RPS") at an issue price of RM1,000 per RPS for a total consideration of RM1,830,000 by Jernih Wiramas Sdn Bhd, a wholly owned subsidiary of the Company. The principal activity of ACSB is property development and investment;
- b) the dilution of the Group's equity interest in Cardiff Asset Limited ("CAL") from 100% to 70% when CAL allotted 42,857 new ordinary shares of £1.00 each representing 30% of the equity interest of the enlarged issued and paid up share capital of CAL for a total consideration of £42,857 to a third party; and
- c) the dilution of the Group's equity interest in Jauhari Maksima Sdn Bhd ("JMSB") from 100% to 70%. JMSB increased its issued and paid up share capital from RM2.00 to RM1,000,000 by an allotment of 999,998 new ordinary shares of RM1.00 each.

**NOTES (CONTINUED)**

A wholly owned subsidiary of the Company, Berjaya Waterfront Sdn Bhd (formerly known as Pesaka Ikhlas (M) Sdn Bhd) ("BWSB") and a third party subscribed for 699,998 shares of RM1.00 each and 300,000 shares of RM1.00 each in JMSB respectively. As such, the Group's equity interest in JMSB is diluted to 70%.

A11 There were no material changes in contingent liabilities or contingent assets since the last audited statement of financial position as at 30 June 2013.

A12 The changes in capital commitments since the last audited statement of financial position as at 30 June 2013 are as follows:

	At 30/09/13 RM'000	At 30/06/13 RM'000
Capital expenditure approved and contracted for	<u>27,431</u>	<u>50,931</u>

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF  
BURSA MALAYSIA SECURITIES BERHAD****B1 For the Quarter**

The Group registered a revenue of RM100.7 million and pre-tax profit of RM21.1 million in the current quarter ended 30 September 2013 as compared to a revenue of RM81 million and a pre-tax profit of RM25.9 million reported in the previous year corresponding quarter. The higher Group revenue was mainly attributed to the increase in revenue reported by the property development and investment and the hotel and related business segments under Berjaya Times Square Sdn Bhd ("BTSSB") group which consolidated "Berjaya Waterfront Johor Bahru" properties after the completion of its acquisition on 15 March 2013. The gaming business segment operated by Natural Avenue Sdn Bhd ("NASB") reported a 3% drop in revenue due to lower number of draws in the current quarter under review as compared to the previous year corresponding quarter.

The lower pre-tax profit for the current quarter under review was mainly due to the lower gain registered on disposal of investment properties as compared to the previous year corresponding quarter. The drop in pre-tax profit was partly mitigated by:

- a) the higher pre-tax profit reported by NASB resulting from lower prize pay-out; and
- b) the higher rental income from BTSSB and profit contribution from Berjaya Waterfront Johor Bahru properties.

**B2 First Quarter vs Preceding Year's Fourth Quarter**

For the current quarter under review, the Group registered a revenue of RM100.7 million which was about 3% lower as compared to RM103.6 million as reported in the preceding quarter ended 30 June 2013. The current quarter's pre-tax profit of RM21.1 million was lower than the pre-tax profit of RM22.9 million reported for the preceding quarter.

The decrease in revenue was mainly due to NASB having lower number of draws in the quarter under review as compared to the preceding quarter.

The Group reported lower pre-tax profit in the current quarter under review mainly due to the property development and investment business segment recorded lower gain on disposal of investment properties as compared to the preceding quarter in spite of the gaming business segment reported a higher profit contribution arising from lower prize payout. In addition, the Group also recognised a favourable fair value adjustment of investment properties in the preceding quarter.

---

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF  
BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)**
**B3** Future Prospects

The Directors expect the gaming business operated by NASB and the property investment and hotel and related businesses operated by BTSSB Group to maintain its market share and occupancy rates respectively going forward. Notwithstanding the finalisation of the purchase price allocation exercise of Berjaya Waterfront Johor Bahru which is regarded as a business combination, the Directors envisage that the operating performance of the Group for the remaining financial quarters of the financial year ending 30 June 2014 will be satisfactory.

**B4** There is no profit forecast or profit guarantee for the financial quarter ended 30 September 2013.

**B5** The income tax expense for the financial quarter ended 30 September 2013 are detailed as follows:

	Current Quarter ended 30/09/13 RM'000
Malaysian taxation:	
Current quarter provision	2,406
Over provision in prior years	(43)
	<u>2,363</u>

The disproportionate tax charge of the Group for the financial quarter ended 30 September 2013 was mainly due to the non-deductibility of certain expenses.

**B6** Other than the outstanding proposal below, the Company does not have any other outstanding corporate proposals at the date of this announcement.

As disclosed in Note 44 in the Company's audited financial statements for the financial year ended 30 June 2013, BWSB had entered into a conditional sale and purchase agreement for the proposed acquisition by BWSB from Kelana Megah Sdn Bhd ("KMSB") of its intended lease interest in a parcel of vacant land measuring about 4.285 acres held under Lot No. PTB 20379, Bandar Johor Bahru, Daerah Johor Bahru, Negeri Johor for a cash consideration of RM27.99 million ("KMSB SPA").

The conditions precedent stipulated in the KMSB SPA are still pending.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF  
BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)**

B7 The Group borrowings as at 30 September 2013 are as follows:

Secured:	RM'000
Short term bank borrowings	
- Denominated in Ringgit Malaysia	47,625
- Denominated in GBP (£714,000)	3,760
	51,385
Long term bank borrowings	
- Denominated in Ringgit Malaysia	292,716
- Denominated in GBP (£2,499,000)	13,159
	305,875
Senior bonds	158,342
Total borrowings	515,602

B8 There was no pending material litigation since the date of the last audited statement of financial position to the date of this announcement.

B9 The Board does not recommend any dividend in the current quarter (previous year corresponding quarter ended 30 September 2012 : Nil).

B10 The earnings per share is calculated by dividing profit attributable to equity holders of the Parent by the weighted average number of ordinary shares in issue:

	<u>Current Quarter Ended</u>			
	30/09/2013	30/09/2012	30/09/2013	30/09/2012
	RM'000	RM'000	Sen	Sen
		Restated		
Profit for the quarter	16,997	22,853		
Weighted average number of ordinary shares ('000)	1,113,042	1,113,042		
Basic earnings per share			1.53	2.05

No diluted earnings per share is presented for the current financial quarter ended 30 September 2013 as the computation based on the outstanding warrants would have an antidilutive effect.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF  
BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)**

B11 Profit before tax is stated after charging/(crediting):

	Current Quarter ended 30/09/2013 RM'000
Interest income	(489)
Dividend income	N/A
Other income excluding dividend and interest income	(1,915)
Gain on disposal of investment properties	(1,878)
Depreciation of property, plant and equipment	3,894
Amortisation of intangible assets	276
Impairment loss on receivables	403
Impairment in value of AFS quoted investments	N/A
Provision for and write off of inventories	N/A
Foreign exchange gain	(1,308)
Gain or loss on derivatives	N/A

N/A denotes Not Applicable

B12 Realised and unrealised earnings of the Group is analysed as follows:

	As at 30/09/2013 RM'000	As at 30/6/2013 RM'000
Total retained earnings of the Company and its subsidiaries:		
- realised	540,157	521,259
- unrealised	708,743	710,592
	<u>1,248,900</u>	<u>1,231,851</u>
Less: Consolidation adjustments	<u>(442,674)</u>	<u>(442,622)</u>
Total group retained earnings as per financial statements	<u><u>806,226</u></u>	<u><u>789,229</u></u>

cc: Securities Commission